

## DEPARTMENTAL BUDGET INFORMATION DEPARTMENT OF TRANSPORTATION (20)

### STATEMENT OF PURPOSE

The Department of Transportation will help support the Mayor's vision to transform the government of the City of Detroit to the Next Detroit by applying the guiding principles of the Next Detroit, which means structural balancing by bringing costs in line with revenue, while improving services.

The Detroit Department of Transportation strives for excellence in providing public transit services that are reliable, customer focused, safe and secure for all users, and fiscally responsible.

### DESCRIPTION

The Department of Transportation operates the bus system in the City of Detroit with a fleet of 550 coaches.

DDOT is the largest transit provider in the State of Michigan operating over 1,200 miles of routes and providing service to over 36 million passengers annually.

DDOT's primary facilities include the **Central Shop**, which is located at 1301 East Warren, and includes an administration building, a heavy repair facility, and plant maintenance building. DDOT also maintains three other satellite terminals with garages and storage bays for light repairs.

DDOT's active fleet consists of 550 fixed-route coaches, which serves 45 bus routes in the City of Detroit. The department maintains approximately 6,000 bus stops and 175 bus shelters.

DDOT provides ADA (Americans with Disabilities Act) complimentary paratransit services for the elderly and disabled through Detroit Metrolift. Detroit MetroLift operates

approximately 47 lift equipped paratransit vehicles and provides service to more than 650 passengers per day.

Additionally, DDOT provides administrative services to the Detroit Transportation Corporation (DTC), operator of the Detroit People Mover.

### MAJOR INITIATIVES FOR FY 2006-07

D-DOT's priority for 2006-07 is reliable, clean, safe, and customer focused transit services. DDOT is reorganizing the department to improve productivity and customer service. Strategic Planning and Capital Projects Divisions will be added and operating in 2007-08. The Strategic Planning Division will incorporate the Scheduling Division and expand planning and service monitoring. The Capital Projects Division will focus on capital planning and completing projects in a timely manner. The Planning Division is being renamed the Customer Programs and Communications Division and expanded to provide improved customer service. The Security Division is being renamed the Risk Management Division and will be expanded to include safety and claims monitoring. The Accounting Division is being renamed the Finance Division and will incorporate the Grant's Division and expand to improve revenue, budgeting and finance. The Purchasing Division will be upgraded to improve the availability of parts and supplies. The Plant Maintenance Division will incorporate the farebox repair section from Finance (Accounting) into an Electronic Section that will also include the Radio Repair and Destination Signage Sections. The Vehicle Maintenance Division will restructure to add storekeepers

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from the Material Management Division to improve parts and supplies availability and improve productivity. The Materials Management Division will streamline to improve inventory management and better support purchasing and vehicle maintenance. The Transportation Operations Division will be changed to improve productivity and customer service. The reorganization will be done without any increase in DDOT's General Fund subsidy.

DDOT is utilizing grant funding for capital projects such as facility improvements that will improve the work environment, productivity, and service reliability. Also, cleaning equipment will be obtained to improve the cleanliness of buses and the facilities. DDOT's Transit Policing Program will improve passenger safety and security. Automated Vehicle Locator (AVL) technology and increased training will be focused on improving customer service. New fareboxes are being installed in January 2007 and will increase DDOT farebox revenue and customer convenience.

Revenue initiatives include the following:

- Application for \$47 million in grants for 2007-2008.
- Increase ridership and revenue by providing limited stop routes and park and ride.
- Development of new fare media to increase farebox revenue and customer convenience.
- Increase pass and fare media sales outlets.
- Promote and advertise transportation services and programs.

Cost saving initiatives include the following:

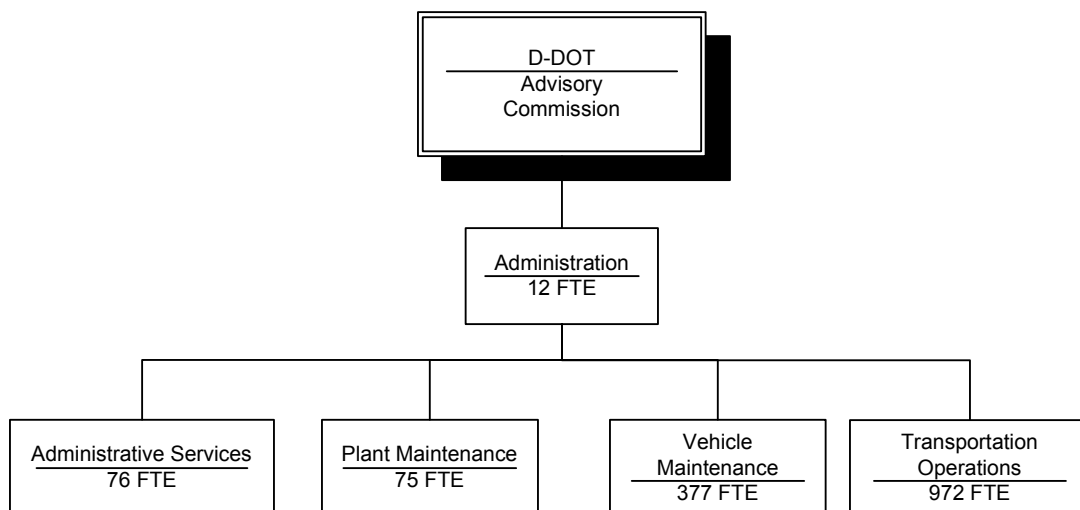
- Expansion of DDOT risk management to mitigate safety risks and review workers compensation and long-term disability claims.
- Reorganization of DDOT grants and capital project functions to develop, implement, and complete grant funded projects in an economical and timely manner.
- Perform midlife overhauls of older buses to improve service reliability.
- Increase preventative maintenance efforts to reduce equipment failures.
- Reengineer the work order, requisitioning, purchasing, inventorying, receiving, and accounting processes to improve the effectiveness of acquiring and maintaining parts, materials, and services for DDOT maintenance.
- Enhance inventory management, to reduce waste, obsolescence and theft.
- Utilize new Automatic Vehicle Locator (AVL) reporting system for service improvement.
- Improve work processes to reduce waste and inefficiencies.
- Enhance the DDOT's B Inspection Process to allow for the consistent scheduling of vehicles within a 5,500 to 6,500 Mileage Window.
- Evaluate route productivity to allocate resources where customer demand dictates.
- Evaluate pre-employment screening program to upgrade entry level requirements and improve employee retention.
- Conduct quarterly operational audits to ensure optimal customer service.

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### PLANNING FOR THE FUTURE FOR FY 2007-08, FY 2008-09 and BEYOND

DDOT buses will operate out of the new Rosa Parks Transit Center at the corner of Michigan and Cass at the end of 2007-2008. DDOT will improve its strategic planning to include long term operating and capital plans. The plans will focus on clean, reliable, safe, and customer focused transit services for the area. DDOT will be

working on improving transit service to include rapid transit and express service linking Downtown, New Center, Neighborhoods and points beyond. A Transit Policing Program will be in operation, which will include providing safety and security to riders. DDOT seeks to improve its public image and become the preferred transit choice in the area.



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**PERFORMANCE GOALS, MEASURES AND TARGETS**

| <b>Type of Performance Measure:</b><br>List of Measures  | <b>2005-06<br/>Actual</b> | <b>2006-07<br/>Projection</b> | <b>2007-08<br/>Target</b> |
|--|---------------------------|-------------------------------|---------------------------|
| <b>Inputs: Resources Allocated or Service Demands Made:</b><br>Firms certified DBE                                       | 110                       | 147                           | 116                       |
| <b>Outputs: Units of Activity directed towards goals:</b><br>Workers' Comp (WC) cases                                    | 101                       | 75                            | 101                       |
| <b>Outcomes: Results or Impacts of Program Activities:</b><br>Number wheelchair bound passengers served                  | 10,687                    | 10,978                        | 12,180                    |
| <b>Efficiency: Program Costs related to Units of Activity:</b><br>Service efficiency: operating expense per revenue mile | \$11.45                   | \$11.96                       | \$10.36                   |
| Cost effectiveness: operating expense per passenger trip   | \$ 4.63                   | \$ 4.76                       | \$ 4.20                   |
| Ratio of WC, LTD, S&A/total employees  | 14.94%                    | 9.0%                          | 12.00%                    |
| Administration overtime  | \$ 542,271                | \$ 160,918                    | \$ 208,961                |
| Farebox recovery percent of budgeted revenue   | 13.1%                     | 14.5%                         | 17.5%                     |
| Other non-governmental sources of revenue  | \$1,431,596               | \$1,325,000                   | \$1,401,183               |

**PLANT MAINTENANCE AND CONSTRUCTION'S MEASURES AND TARGETS**

| <b>Type of Performance Measure</b><br>List of Measures                                     | <b>2005-06<br/>Actual</b> | <b>2006-07<br/>Projection</b> | <b>2007-08<br/>Target</b> |
|--|---------------------------|-------------------------------|---------------------------|
| <b>Outputs: Units of Activity directed towards Goals</b><br>Number service calls per month | 5,427                     | 1,500                         | 5,000                     |
| Plant Maintenance overtime   | \$1,242,105               | \$1,139,703                   | \$884,162                 |

**VEHICLE MAINTENANCE MEASURES AND TARGETS**

| <b>Type of Performance Measure:</b><br>List of Measures  | <b>2005-06<br/>Actual</b> | <b>2006-07<br/>Projection</b> | <b>2007-08<br/>Target</b> |
|--|---------------------------|-------------------------------|---------------------------|
| <b>Outputs: Units of Activity directed towards Goals</b><br>Vehicle maintenance overtime (wages) | \$486,823                 | \$1,825,162                   | \$1,825,162               |
| <b>Outcomes: Results or Impacts of Program Activities</b><br>Number miles between road calls     | 3,312                     | 2,520                         | 3,750                     |
| <b>Efficiency: Program Costs related to Units of Activity</b><br>Maintenance cost per passenger  | \$1.15                    | \$1.03                        | \$1.18                    |

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**TRANSPORTATION MEASURES AND TARGETS**

| <b>Type of Performance Measure:</b><br>List of Measures       | <b>2005-06<br/>Actual</b> | <b>2006-07<br/>Projection</b> | <b>2007-08<br/>Target</b> |
|---|---------------------------|-------------------------------|---------------------------|
| <b>Outputs: Units of Activity directed towards Goals</b>      |                           |                               |                           |
| Miles operated  | 17,973,442                | 17,133,523                    | 18,000,000                |
| Number of passengers  | 37,083,344                | 36,812,757                    | 37,000,000                |
| Actual vehicle revenue miles                                  | 14,993,929                | 14,993,929                    | 14,993,929                |
| Actual vehicle revenue hours                                  | 1,162,166                 | 1,162,166                     | 1,162,166                 |
| Number of miles between accidents (collisions)                | 25,068                    | 29,000                        | 30,000                    |
| <b>Efficiency: Program Costs related to Units of Activity</b> |                           |                               |                           |
| TEO (driver) overtime   | \$6,313,511               | \$4,500,000                   | \$3,150,000               |
| Operation division cost per passenger trip                    | \$1.98                    | \$2.12                        | \$2.10                    |
| Passengers per revenue miles                                  | 2.47                      | 2.51                          | 2.47                      |
| Passengers per revenue hours                                  | 31.91                     | 31.36                         | 31.84                     |

**DEPARTMENTAL BUDGET INFORMATION  
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**EXPENDITURES**

|                    | 2005-06               |           | 2006-07            | 2007-08               | Variance            | Variance   |
|--------------------|-----------------------|-----------|--------------------|-----------------------|---------------------|------------|
|                    | Actual                |           | Redbook            | Mayor's               |                     |            |
|                    | Expense               |           |                    | Budget Rec            |                     | Percent    |
| Salary & Wages     | \$ 62,576,640         | \$        | 57,878,857         | \$ 62,679,631         | \$ 4,800,774        | 8%         |
| Employee Benefits  | 52,086,045            |           | 44,845,076         | 46,443,796            | 1,598,720           | 4%         |
| Prof/Contractual   | 16,005,551            |           | 7,595,000          | 8,544,865             | 949,865             | 13%        |
| Operating Supplies | 22,463,349            |           | 13,849,656         | 14,028,000            | 178,344             | 1%         |
| Operating Services | 23,064,057            |           | 25,933,434         | 26,072,815            | 139,381             | 1%         |
| Capital Equipment  | 2,188,715             |           | 3,000              | 3,000                 | -                   | 0%         |
| Capital Outlays    | 3,846,862             |           | -                  | -                     | -                   | 0%         |
| Fixed Charges      | 8,618,684             |           | 4,139,316          | 1,652,816             | (2,486,500)         | -60%       |
| Other Expenses     | 6,391,571             |           | 6,524,720          | 6,458,976             | (65,744)            | -1%        |
| <b>TOTAL</b>       | <b>\$ 197,241,474</b> | <b>\$</b> | <b>160,769,059</b> | <b>\$ 165,883,899</b> | <b>\$ 5,114,840</b> | <b>3%</b>  |
| <b>POSITIONS</b>   | <b>1,543</b>          |           | <b>1,533</b>       | <b>1,512</b>          | <b>(21)</b>         | <b>-1%</b> |

**REVENUES**

|                        | 2005-06               |           | 2006-07            | 2007-08               | Variance            | Variance  |
|------------------------|-----------------------|-----------|--------------------|-----------------------|---------------------|-----------|
|                        | Actual                |           | Redbook            | Mayor's               |                     |           |
|                        | Revenue               |           |                    | Budget Rec            |                     | Percent   |
| Rev from Use of Assets | \$ 1,278,445          | \$        | 1,348,000          | \$ 1,335,000          | \$ (13,000)         | -1%       |
| Grants/Shared Taxes    | 28,608,809            |           | -                  | -                     | -                   | 0%        |
| Sales & Charges        | 75,960,821            |           | 77,854,216         | 80,539,593            | 2,685,377           | 3%        |
| Contrib/Transfers      | 89,626,989            |           | 81,541,843         | 83,908,123            | 2,366,280           | 3%        |
| Miscellaneous          | 10,153,151            |           | 25,000             | 101,183               | 76,183              | 0%        |
| DTC - People Mover     | -                     |           | -                  | -                     | -                   | 0%        |
| <b>TOTAL</b>           | <b>\$ 205,628,215</b> | <b>\$</b> | <b>160,769,059</b> | <b>\$ 165,883,899</b> | <b>\$ 5,114,840</b> | <b>3%</b> |